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DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

[Docket No. FTA-2015-0011]

Notice of a Buy America Waiver for Replacement Gondola Components

AGENCY: Federal Transit Administration, DOT.

ACTION: Notice of a Buy America waiver.

SUMMARY: The Federal Transit Administration (FTA) received a Buy America waiver request from the Colorado Department of Transportation on behalf of the Town of Mountain Village for replacement parts for a gondola rehabilitation project. A non-availability waiver is needed because Mountain Village intends to rehabilitate the gondola system with FTA funding and the replacement parts do not comply with Buy America requirements. In accordance with 49 U.S.C. 5323(j)(3)(A), FTA published a notice of the waiver request and sought public comment in deciding whether to grant the request. Having received no comments opposing the waiver, FTA is hereby granting a non-availability waiver for the replacement gondola components to be procured by Mountain Village for the gondola refurbishment projects described herein.

DATES: This waiver is effective immediately.

FOR FURTHER INFORMATION CONTACT: Richard Wong, FTA Attorney-Advisor, at (202) 366-0675 or Richard.Wong@dot.gov.

SUPPLEMENTARY INFORMATION: The purpose of this notice is to announce that FTA is granting a non-availability waiver for Mountain Village's procurement of replacement components for its gondolas used to provide public transportation service.

With certain exceptions, FTA's Buy America requirements prevent FTA from obligating an amount that may be appropriated to carry out its program for a project unless "the steel, iron, and manufactured goods used in the project are produced in the United States." 49 U.S.C. 5323(j)(1). A manufactured product is considered produced in the United States if: (1) all of the manufacturing processes for the product take place in the United States; and (2) all of the components of the product are of U.S. origin. A component is considered of U.S. origin if it is manufactured in the United States, regardless of the origin of its subcomponents. 49 CFR 661.5(d). If, however, FTA determines that "the steel, iron, and goods produced in the United States are not produced in a sufficient and reasonably available amount or are not of a satisfactory quality," then FTA may issue a waiver (non-availability waiver). 49 U.S.C. 5323(j)(2)(B); 49 CFR 661.7(c).

The Town of Mountain Village provides free public transportation via gondola (also known as a tramway) between Mountain Village and the Town of Telluride. The gondola operates continuous fixed route service 17 hours per day, 7 days per week, 280 or more days per year, serving over 2,000,000 passengers per year. According to Mountain Village, the existing low-speed conveyor components (bearings, pulleys, tires and other related components) and gondola grip components (coil springs, movable jaws, fixed jaws, bearings, bolts, bushings, wheels and other related components) are nearing the end of their useful service lives and are showing signs of wear and fatigue. Without periodic capital equipment replacement/rebuild, the likelihood of mechanical downtime increases significantly, equating to prolonged service

outages for commuters. Mountain Village also needs to refurbish the 59 gondola cabins due to wear and tear. Mountain Village intends to replace these gondola components over several phases during the coming years. Specifically, procurement of the low-speed conveyor components and the grips will be procured in two phases, one in 2015 and one in 2016; parts for the cabin refurbishment are anticipated to be procured over a six-year period. The non-availability waiver is effective for all phases of these projects, but expires upon completion of these projects.

Mountain Village asserted that there are no companies that manufacture these gondola components in the United States and that each of the gondola components to be procured is available only from a single source -- Doppelmayr and CWA, the original equipment manufacturers. The Colorado Passenger Tramway Safety Board (CPTSB), the state agency responsible for regulating the safety of aerial tramways within the State of Colorado, agreed and noted that because gondolas are specialized and the market is limited, there are no aftermarket manufacturers for these gondola components. The CPTSB concluded that, for these parts, there are no alternatives to the original equipment manufacturers, which do not manufacture the replacement components in the United States. Although there is a new U.S. manufacturer for tramways in the United States, it does not produce detachable tramways like the one used by Mountain Village. Additionally, parts for the remainder of the tramway are of a different design and are not interchangeable with those used on other gondola systems.

On Wednesday, July 22, 2015, and in accordance with 49 U.S.C. 5323(j)(3)(A), FTA published a notice in the Federal Register announcing the Colorado Department of Transportation Buy America waiver request made on behalf of Mountain Village (80 FR 43552),

seeking comment from all interested parties, including potential vendors and suppliers. The comment period closed on August 5, 2015, and no comments were received.

Based on the representations from the Colorado Department of Transportation and the Colorado Passenger Tramway Safety Board, and the lack of any comments opposing the waiver, FTA is granting a non-availability waiver for replacement gondola components, limited to the parts procured by Mountain Village for the gondola refurbishment projects described above.

Issued on August 17, 2015.

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Acting Chief Counsel

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